

110TH CONGRESS  
2D SESSION

# H. R. 7315

To suspend for 2008 and 2009 the required minimum distribution rules  
for certain defined contribution plans.

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IN THE HOUSE OF REPRESENTATIVES

DECEMBER 9, 2008

Mr. REHBERG introduced the following bill; which was referred to the  
Committee on Ways and Means

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## A BILL

To suspend for 2008 and 2009 the required minimum  
distribution rules for certain defined contribution plans.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Retiree Relief Act of  
5       2008”.

6       **SEC. 2. SUSPENSION OF MINIMUM DISTRIBUTION RE-**  
7       **QUIREMENTS.**

8       (a) IN GENERAL.—In the case of an eligible defined  
9       contribution plan of an individual, sections 401(a)(9),  
10      404(a)(2), 403(b)(10), 408(a)(6), 408(b)(3), and

1 457(d)(2) of the Internal Revenue Code of 1986 shall not  
2 apply with respect to such individual for any year during  
3 the suspension period.

4 (b) SUSPENSION PERIOD.—For purposes of this sec-  
5 tion, the term “suspension period” means the period be-  
6 ginning on January 1, 2008, and ending on December 31,  
7 2009.

8 (c) ELIGIBLE DEFINED CONTRIBUTION PLAN.—For  
9 purposes of this section, the term “eligible defined con-  
10 tribution plan” means—

11 (1) a defined contribution plan (within the  
12 meaning of section 414(i) of such Code) which is—

13 (A) an employee’s trust described in sec-  
14 tion 401(a) of such Code which is exempt from  
15 tax under section 501(a) of such Code,

16 (B) an annuity plan described in section  
17 403(a) of such Code,

18 (C) an annuity contract described in sec-  
19 tion 403(b) of such Code, and

20 (D) an eligible deferred compensation plan  
21 described in section 457(b) of such Code which  
22 is maintained by an eligible employer described  
23 in section 457(e)(1)(A) of such Code, and

24 (2) an individual retirement plan (as defined in  
25 section 7701(a)(37) of such Code).

1 (d) SPECIAL RULES.—

2 (1) REQUIRED BEGINNING DATE DURING SUS-  
3 PENSION PERIOD.—The required beginning date  
4 with respect to any individual under section  
5 401(a)(9) of such Code shall be determined without  
6 regard to this section for purposes of applying sec-  
7 tions 401(a)(9), 404(a)(2), 403(b)(10), 408(a)(6),  
8 408(b)(3), and 457(d) of such Code for calendar  
9 years after 2009.

10 (2) EXCEPTION FOR 5-YEAR RULE.—In the case  
11 of a distribution required under section  
12 401(a)(9)(B)(ii) of such Code, subsection (a) shall  
13 not apply.

14 (3) EXEMPTION OF DISTRIBUTIONS DURING  
15 SUSPENSION PERIOD FROM TRUSTEE TRANSFER AND  
16 WITHHOLDING RULES.—For purposes of sections  
17 401(a)(31), 402(f), and 3405 of such Code, any dis-  
18 tribution during the suspension period which, but for  
19 subsection (a), would have been a required distribu-  
20 tion under section 401(a)(9) of such Code shall not  
21 be treated as an eligible rollover distribution.

22 (e) PROVISIONS RELATING TO PLAN AMEND-  
23 MENTS.—

24 (1) IN GENERAL.—If this subsection applies to  
25 any plan or annuity contract, such plan or contract

1 shall be treated as being operated in accordance with  
2 the terms of the plan during the period described in  
3 paragraph (2)(B)(i).

4 (2) AMENDMENTS TO WHICH SUBSECTION AP-  
5 PLIES.—

6 (A) IN GENERAL.—This subsection shall  
7 apply to any amendment to any plan or annuity  
8 contract which is made—

9 (i) pursuant to this section or pursu-  
10 ant to any regulation issued by the Sec-  
11 retary of the Treasury to carry out this  
12 section, and

13 (ii) on or before the last day of the  
14 first plan year beginning on or after Janu-  
15 ary 1, 2009.

16 (B) CONDITIONS.—This subsection shall  
17 not apply to any amendment unless during the  
18 period beginning on the date such amendment  
19 takes effect and ending on December 31, 2009  
20 (or, if earlier, the date the plan or contract  
21 amendment is adopted), the plan or contract is  
22 operated as if such plan or contract amendment  
23 were in effect.

24 (f) EFFECTIVE DATE.—

1           (1) IN GENERAL.—This section shall take effect  
2           on the date of the enactment of this Act.

3           (2) RECONTRIBUTION OF DISTRIBUTIONS BE-  
4           FORE DATE OF ENACTMENT.—

5                   (A) IN GENERAL.—Any individual who re-  
6                   ceives a payment or distribution during the pe-  
7                   riod beginning on January 1, 2008, and ending  
8                   on the date of the enactment of this Act from  
9                   a plan to which subsection (a) or (c) of this sec-  
10                  tion applies may, before the end of the suspen-  
11                  sion period, make one or more contributions in  
12                  an aggregate amount not to exceed the amount  
13                  of such payments or distributions to an eligible  
14                  defined contribution plan of which such indi-  
15                  vidual is a beneficiary and to which a rollover  
16                  contribution of such distribution could be made  
17                  under section 402(c), 403(a)(4), 403(b)(8),  
18                  408(d)(3), or 457(e)(16) of such Code, as the  
19                  case may be.

20                   (B) TREATMENT OF REPAYMENTS OF DIS-  
21                   TRIBUTIONS FROM ELIGIBLE RETIREMENT  
22                   PLANS OTHER THAN IRAS.—For purposes of  
23                   the Internal Revenue Code of 1986, if a con-  
24                   tribution is made pursuant to subparagraph (A)  
25                   to an eligible defined contribution plan other

1           than an individual retirement plan (as defined  
2           by section 7701(a)(37)), then the taxpayer  
3           shall, to the extent of the amount of the con-  
4           tribution, be treated as having received such  
5           payments or distributions in an eligible rollover  
6           distribution (as defined in section 402(c)(4) of  
7           such Code) and as having transferred the  
8           amount to the eligible defined contribution plan  
9           in a direct trustee to trustee transfer within 60  
10          days of the distribution.

11           (C) TREATMENT OF REPAYMENTS FOR  
12          DISTRIBUTIONS FROM IRAS.—For purposes of  
13          the Internal Revenue Code of 1986, if a con-  
14          tribution is made pursuant to subparagraph (A)  
15          to an individual retirement plan (as defined by  
16          section 7701(a)(37) of such Code), then, to the  
17          extent of the amount of the contribution, such  
18          payments or distributions shall be treated as a  
19          distribution described in section 408(d)(3) of  
20          such Code and as having been transferred to  
21          the individual retirement plan in a direct trust-  
22          ee to trustee transfer within 60 days of the dis-  
23          tribution.

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